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COOPERATION BETWEEN THE UNITED NATIONS AND THE ORGANIZATION OF AFRICAN UNITY

DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION: TRADE AND DEVELOPMENT

Letter dated 19 November 1993 from the Permanent Representative of Uganda to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the text of the final communiqué adopted at the Summit meeting of the Authority of the Preferential Trade Area for Eastern and Southern African States, held in Kampala, Uganda, on 5 and 6 November 1993 (see annex).

I should be grateful if you would have the text of this letter and its annex circulated as a document of the General Assembly under agenda items 43 and 91 (a).

(Signed) Perezi K. KAMUNANWIRE
Ambassador
Permanent Representative

ANNEX

Final Communiqué dated 6 November 1993 of the Twelfth Meeting of the Authority of the Preferential Trade Area for Eastern and Southern African States, held in Kampala, Uganda

PART ONE

1. The Twelfth Meeting of the Authority of the Preferential Trade Area for Eastern and Southern African States was held in Kampala, Uganda, on 5 and 6 November 1993.

2. The Summit was attended by the following Heads of State and Government:

(a) His Excellency President Isaias Afweki of Eritrea;

(b) His Excellency President Meles Zanawi of Ethiopia;

(c) His Excellency President Daniel Toroitich Arap Moi of Kenya;

(d) His Excellency President Joaquim Chissano of Mozambique;

(e) His Excellency President Juvénal Habyarimana of Rwanda;

(f) His Excellency President Omar Hassan Al-Bashir of the Sudan;

(g) His Excellency President Ali Hassan Mwinyi of the United Republic of Tanzania;

(h) His Excellency President Yoweri Kaguta Museveni of Uganda;

(i) His Excellency President Frederick J. T. Chiluba of Zambia;

(j) His Excellency President Robert Gabriel Mugabe of Zimbabwe.

3. Lesotho, Malawi and Swaziland were represented by:

(a) The Honourable Gwanda Chakuamba, Chairman of the Presidential Council of the Republic of Malawi;

(b) His Excellency Andreas M. Fakudze, Acting Prime Minister of Swaziland;

(c) The Right Honourable Selometsi Baolo, Deputy Prime Minister of Lesotho.

4. The following Plenipotentiaries represented their countries:

(a) His Excellency Dr. André Luis Brandao, Minister for Transport and Communications of Angola;

(b) His Excellency Leonidas Havyarimana, Ambassador for Burundi to Uganda;

(c) His Excellency Anona Manelo Frederic, Minister for Trade and Crafts Promotion of Madagascar;

(d) The Honourable Anil Kumar Bachoo, Minister for Trade and Shipping of Mauritius;

(e) The Honourable Hifikepunye Pohamba, Minister for Home Affairs of Namibia.

5. Also in attendance as Observers were:

(a) The Vice President of the Republic of Botswana, His Excellency Festus Gontebanya Mogae;

(b) The Honourable Ar.zulumi Bembe, Speaker of the National Assembly of Zaire;

(c) Ambassador Said Rafat, Assistant Minister for Foreign Affairs of the Arab Republic of Egypt;

(d) Mr. Thomas Nkobi, Treasurer General of the African National Congress;

(e) Chief Mangosuthu Buthelezi, President of the Inkhata Freedom Party;

(f) The Government of South Africa was represented by a Plenipotentiary.

6. The following organizations were also present at the meeting: African, Caribbean and Pacific Group (ACP), African Development Bank (AfDB), European Community (EC), East African Development Bank (EAfDB), Economic Community for West African States (ECOWAS), Food and Agriculture Organization of the United Nations (FAO), International Monetary Fund (IMF), African Regional Organization for Standardization (ARSO), International Labour Organization (ILO), International Trade Centre (UNCTAD/GATT) (ITC), Kagera Basin Organization (KBO), Organization of African Unity (OAU), PTA Bank, PTA Clearing House, PTA Reinsurance Company (ZEP-RE), PTA Leather and Leather Products Institute (LLPI), United Nations Development Programme (UNDP), United Nations Industrial Development Organization (UNIDO), Economic Commission for Africa (ECA) and the World Bank.

7. Before the formal opening of the meeting of the Authority, a minute's silence was observed in honour of the slain President Melchior Ndadaye of Burundi, six Ministers and thousands of people.

8. This historic meeting was formally opened by President Yoweri Kaguta Museveni of Uganda.

9. In his statement, he warmly welcomed his colleagues to Kampala, and thanked them for responding positively to his invitation to attend the historic Twelfth PTA Summit, which marked the transformation of the organization into a Common Market for Eastern and Southern Africa (COMESA).

10. He hailed the signing of the COMESA Treaty in Kampala as a great honour to the people of Uganda and a monumental victory for the people of the subregion in their quest for meaningful development and the dignity of their people. He urged the new COMESA to work harder than before to achieve the wider objectives of the new enhanced grouping, thus deepening their commitment thereto.

11. In his keynote address, entitled COMESA: A New Vision for Growth and Development, President Museveni reviewed the progress achieved by the organization during his tenure of office. He particularly regretted the deterioration of the political situation in Angola, Somalia and, more recently, in Burundi, and strongly urged all parties concerned to stop the genocide immediately and to agree on modalities for peace.

12. He considered 1993 to be an important year for PTA member States and pointed out that all the major priorities which were set by the last Summit early this year had been accomplished. This included the transformation of PTA into COMESA. He briefed the Authority on the progress of the joint PTA/South African Development Coordination (SADC) study and said the final report would be available by February 1994.

13. He welcomed the admission of Eritrea, Madagascar and Seychelles into the PTA family.

14. He concluded his statement by expressing his gratitude to the Heads of State and Government for their moral and material support during his tenure of office and urged them to face the new challenges of COMESA with their usual dedication.

15. His Excellency President Frederick J. T. Chiluba of Zambia moved a vote of thanks to President Museveni for the warm welcome extended to all the delegations and for Uganda's exemplary dedication to the cause of regional cooperation and integration. He stated that the signing of the COMESA Treaty formally marked the beginning of the process of transforming the PTA into the Common Market and progress towards its implementation.

16. The Authority unanimously elected His Excellency President Meles Zenawi of Ethiopia as Chairman, President Joaquim Chissano of Mozambique as Vice Chairman and President Yoweri Kaguta Museveni of Uganda as Rapporteur.

17. President Meles Zenawi, in his acceptance speech, expressed his gratitude to President Museveni for the excellent work done during 1993 culminating in the signing of the COMESA Treaty. He attributed that achievement to the dedication and the tireless effort of the outgoing Chairman in consolidating the gains of cooperation in the subregion. He expressed the hope that, under COMESA, member States would further deepen their cooperation efforts to ensure that the people of the subregion gained from sustainable economic growth and development.

18. He thanked his colleagues for the confidence they had placed in him at this crucial period of the transformation of PTA into the Common Market and assured the Authority that he would do his best to live up to their expectations.

19. The Heads of State of Angola, Kenya, Mozambique, Rwanda, the Sudan, the United Republic of Tanzania and Zambia also made statements highlighting the importance of COMESA to member States both individually and collectively, and they also agreed that COMESA represented a political and economic consensus to move forward.

20. The Heads of Delegation of Lesotho, Madagascar, Namibia and Swaziland also made statements on the challenges ahead for the organization.

21. Representatives of the African National Congress and the Inkhata Freedom Party also made statements.

22. The representatives of Egypt and South Africa also made statements.

23. Representatives of liberation movements also made statements.

24. The Secretary-General of PTA, Dr. Bingu Mutharika, presented his 1993 report to the Authority, in which he reviewed the implementation of activities and strategies for the future, highlighted the urgent need for an early ratification of the Treaty and proposed priority areas where the new Common Market should focus in order to consolidate its base for a meaningful take-off of its comprehensive programmes.

25. The Secretary-General of the Organization of African Unity, Dr. Salim Ahmed Salim, and Mr. Layashi Yaker, Executive Secretary of the Economic Commission for Africa, the Representative of the European Communities and the President of the PTA Bank also made statements.

26. The Twelfth Meeting of the PTA Authority adopted the following agenda:

1. Closed session of the Heads of State and Government.

2. Opening of the Meeting:

   (a) Formal admission of new member States;

   (b) Signing of the Treaty Establishing the Common Market for Eastern and Southern Africa (COMESA);

   (c) Keynote address by the outgoing Chairman;

   (d) Vote of thanks and election of the Bureau.

3. Adoption of the agenda and organization of work.

4. General debate on regional economic cooperation and integration:

   (a) Report by the Secretary-General for 1993;

   (b) Consideration of the report of the Council of Ministers;

   (c) Statements by the Heads of State and Government of member States;

(d) Statements by the leaders of the liberation movements of South Africa;

(e) Statements by the executive heads of international organizations.

5. Second closed session of the Heads of State and Government.

6. Any other business.

7. Closing ceremony:

(a) Date and venue of the next Summit of the Authority;

(b) Final communiqué;

(c) Closure of the Meeting.

PART TWO

Decisions and consensus

Treaty Establishing the Common Market for Eastern and Southern Africa (COMESA)

27. The Treaty Establishing the Common Market for Eastern and Southern Africa (COMESA) was signed on 5 November 1993 by Heads of State and Government including Plenipotentiaries from Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, the Sudan, Swaziland, Uganda, the United Republic of Tanzania and Zambia. The Treaty is open for signature for the following member States, most of which were not represented at the meeting: Angola, Burundi, the Comoros, Djibouti, Seychelles, Somalia and Zimbabwe.

The year 1993 under review

Sectoral programmes

28. The Twelfth Meeting of the Authority considered the report of the Nineteenth Meeting of the Council of Ministers relating to Sectoral Programmes, namely, Customs and Trade; Monetary and Financial Cooperation; Transport, Communications and Insurance; Industry, Energy and Environment; Agriculture; Legal Matters; as well as Administrative and Budgetary Matters, as indicated below. The report of the Council, as summarized below, was submitted by the Chairman of the Council, the Honourable Richard Kaijuka, Minister of Trade and Industry of the Republic of Uganda.

Sector of Customs and Trade

29. The Authority,

Noted with concern that, with the exception of the Sudan, no member State had published the Preferential Trade Area tariffs by applying single reduction rates for all products produced and traded within the subregion, and urged all member States, except those which have derogation, to publish the PTA tariffs as agreed at the Eleventh Summit in January 1993 without further delay;

Noted with satisfaction that some member States had liberalized their import licensing and foreign exchange allocation and that most of the member States had embarked on liberalizing import licensing and foreign exchange allocation, as well as dismantling other non-tariff barriers;

Urged that the remaining non-tariff barriers to intra-PTA trade be dismantled immediately;

Noted that a study on intra-PTA trade had revealed that trade among member States had been growing at an annual average rate of 8.8 per cent from 1985 to 1991. However, there was considerable potential for further growth in intra-PTA trade if member States implemented all measures identified by the study;

Endorsed the decision of the Council regarding measures to be taken to increase rapidly PTA trade;

Noted that the Preferential Trade Area had already removed the difficult provisions from the PTA Rules of Origin and had streamlined the rest to facilitate the expansion of intra-PTA trade and investment;

Noted progress in the implementation of the trade information network, automatic system of customs data and preparations for the Fifth Trade Fair, scheduled for August 1994 in Maputo, Mozambique.

Monetary and Financial Cooperation

30. The Authority,

Reaffirmed its commitment to the use of the Clearing House and the unit of account of the Preferential Trade Area traveller's cheques and urged monetary authorities and commercial banks to enhance cooperation by increasing the use of UAPTA traveller's cheques;

Directed the secretariat to carry out a study immediately on the factors causing the decline in the use of the Clearing House and the UAPTA traveller's cheques and to recommend strategies to reverse the declines;

Directed the PTA Bank, commercial banks and central banks to advertise widely the use of the Clearing House and the UAPTA traveller's cheques.

Transport, Communications and Insurance

31. The Authority,

Noted that a joint PTA/Southern African Transport Communications Commission study on harmonized road transit charges was under way and urged those member States that agreed to implement the PTA road transit charges of US$ 8 per 100 km for all heavy goods vehicles (HGVs) with more than three axles and articulated vehicles and US$ 3 per 100 km for HGVs up to three axles without trailer to do so immediately;

Urged Ethiopia, Mozambique and Namibia to start using the Customs Transit Declaration Document (RCTD);

Noted the programmes on transport facilitation, the Advance Cargo Information System (ACIS) and the development of Mpulungu port, the study on shipping services and Telecommunication Inter-connectivity Network study;

Noted the status of the implementation of the Yellow Card Scheme and endorsed the decisions of the Council of Bureaux to improve the smooth implementation of the Regional Third-Party Motor Vehicle Insurance Scheme;

Having noted the status of the PTA Reinsurance Company and the satisfactory progress it had achieved during the first year of its operation;

(a) Urged ZEP-RE member States to take appropriate measures to facilitate the compulsory cessions to the PTA Reinsurance Company;

(b) Decided that all member States who had signed the agreement establishing ZEP-RE should take measures to take up their share allocated to them and to pay fully their share of capital subscription without delay;

(c) Urged Eritrea, Ethiopia, Mauritius, Namibia, Seychelles and Swaziland to sign the ZEP-RE Agreement.

Industry, Energy and Environment

32. The Authority,

Noted progress on implementation activities in the subsectors of metallurgy, engineering, chemicals, agro-based and building materials industries, as well as support programmes on standardizations and quality control, energy and environment, and industrial information;

Was concerned with regard to the implementation of the programmes of the PTA Leather and Leather Products Institute (LLPI) at the lack of support of the institute and urged all member States to pay their contributions;

Noted with appreciation the preparations towards a major investment forum for Eastern and Southern Africa to realize the potential of the private sector,

scheduled to be held in Lusaka from 17 to 21 January 1994, and urged all member States to participate fully in this event;

Noted with appreciation progress made in the implementation of the environmental plan of action;

Noted that an integrated industrial development programme had been prepared to facilitate balanced sectoral and regional industrial development.

Agricultural Sector

33. The Authority,

Noted that the preparation of a comprehensive PTA Food Security Programme was under way with the establishment of a Disaster Relief Fund as one of the major components;

Noted that a study on the harmonization of agricultural policies of PTA member States would commence in December 1993;

Noted the progress made in resource mobilization to implement programmes on livestock, fisheries, agro-industry and forestry development.

Legal Matters

34. The Authority,

Urged member States to take immediate steps to ratify the Treaty in order for it to enter into force;

Urged member States to publicize and sensitize the COMESA Treaty in their countries;

Directed the secretariat to prepare the necessary legal instruments for the various organs of COMESA;

Directed the secretariat to launch a publicity programme for the COMESA Treaty in member States and among the cooperating partners;

Noted progress on the study on PTA trade investment laws;

Directed that the Charter on Multinational Industrial Enterprises be reviewed to make it more attractive to investors.

Cooperation with Our Development Partners

35. The Authority,

Noted with satisfaction the efforts of the secretariat to mobilize donor funding to support PTA programmes,

Expressed its deep appreciation of contributions made by the International Donor Community, including the European Community, the African Development Bank, the United Nations and its specialized agencies, the Commonwealth Secretariat, the Ford Foundation, the Canadian International Development Agency (CIDA), the International Development Research Centre (IDRC) and the Global Environment Facility (GEF), towards the implementation of the PTA programmes of activities;

Appealed to the international donor community and development agencies to continue assisting the PTA and directed that a donor conference be organized in 1994;

Thanked the co-sponsors of the initiative for facilitating cross-border investments and payments in Eastern and Southern Africa and noted that funds would be made available to participating countries and regional organizations.

Administrative and Budgetary Matters

36. The Authority,

Noted progress on pledges from member States towards the construction of the headquarters of the organization, thanked the countries that had paid their pledges and appealed to those that had not yet done so to honour their pledges in good time to avoid cost escalations;

Urged member States to devise an improved mechanism for the timely payment of subscriptions.

Women in Development Programmes

37. The Authority,

Noted the establishment, in July 1993, of the Federation of National Associations of Women in Business in Eastern and Southern Africa (FEMCOM);

Recognized the important role of women in development and particularly in the private sector;

Reaffirmed its commitment to enhance the role of women in business and in development and urged the secretariat to include the gender issue in all programmes and activities of COMESA.

PTA/SADC Study

38. The Authority,

Noted the progress achieved by the Joint PTA/South African Development Coordination (SADC) Ministerial Committee towards the resolution of this issue and looked forward to receiving the final report and recommendations of the Joint Ministerial Council.

1994 Work Programme

39. The Authority,

Endorsed the 1994 work programme for PTA.

Peace and Security

40. The Authority,

Considered the question of peace and security in the region and its impact on regional economic cooperation and integration;

Recalled the decision of the Eleventh Meeting, which congratulated the people of Angola for holding free and fair elections, and strongly condemned UNITA for stubbornly being defiant in accepting the election results, as a result of which Angola was thrown back into another carnage of human life, destruction and genocide. The Authority reiterated its appeal to all countries supporting UNITA to stop such support and to refrain from perpetrating the genocide of the Angolan people and to help in instituting lasting peace in Angola;

Noted the exploratory talks held recently in Lusaka, Zambia, under the auspices of the United Nations, to which the Government of Angola and UNITA sent delegations. The meeting affirmed its support for the United Nations Secretary-General and his envoy to Angola in their efforts to resolve the Angolan crisis through negotiations within the framework of the "Accordos de Paz", and urged all Member States to support fully the implementation of the initiatives of the Organization of African Unity and the United Nations resolutions on this matter;

Noted with appreciation the recent signing of the Peace Agreement between the Government of Rwanda and Rwanda Patriotic Front on 4 August 1993 in Arusha, United Republic of Tanzania;

Thanked His Excellency President Ali Hassan Mwinyi, the leaders of the region, and the Organization of African Unity for their role in reaching the Accord;

Noted with appreciation that this agreement was one of the achievements within the framework of African cooperation;

Appealed to all parties to work arduously to implement the Peace Accord for lasting peace in Rwanda and the region;

Further appealed to member States to support strongly the efforts of the Organization of African Unity and the United Nations to ensure the smooth implementation of the Accord;

Noted with grave concern the continuing political and military confusion in the Somalia crisis and urged the United Nations to stick to its original mandate of bringing all the warring factions of Somalia together to resolve the conflict for a lasting peace;

Noted with great appreciation the role played by His Excellency President Meles Zenawi and other PTA leaders to solve the seemingly intractable situation in Somalia and hoped that all parties in the conflict would fully cooperate to spare the people of Somalia further genocide and carnage;

Noted with grave concern the recent failed military coup d'état that took place in Burundi, which culminated in the tragic assassination of the duly and democratically elected President of Burundi, His Excellency the late Melchior Ndadaye, some of his Ministers and the loss of thousands of innocent lives;

Condemned in no uncertain terms the violation of democratic and human rights of the people of Burundi;

Called upon the army and all parties concerned to stop immediately the wanton massacres of innocent people;

Further appealed to PTA member States to use their good offices and, in cooperation with the Organization of African Unity and the United Nations, to stop this wanton destruction of human lives and to work hard and in good time to reinstate law and order in Burundi. A resolution was adopted by the Authority to this effect;

Noted with appreciation the continued efforts of President Moi, leaders of the region and the international community to find a lasting solution to the problem of Southern Sudan, and urged them to continue this effort, and further called for all factions in the conflict to quickly negotiate an end to the crisis;

Noted with appreciation the efforts taken by His Excellency President Joaquim Chissano towards securing lasting peace in Mozambique, and urged all parties in the Mozambican conflict to continue the peace process and to cooperate with the United Nations in an effort to bring about lasting peace and spare the people of that country further intolerable suffering;

Again expressed its appreciation of the efforts by a number of the region's leaders to help bring about peace in Mozambique, and reiterated its support for the implementation of the General Peace Agreement and for the national reconstruction of Mozambique.

41. The Authority,

Welcomed the initiative towards the peaceful democratization process in South Africa and the process of establishing a Transitional Executive Council, a multi-party and multi-racial cabinet with genuine powers to guide the non-racial elections leading to a Government of national unity in April 1994;

Highly commended Mr. Nelson Mandela of the African National Congress and Mr. Frederick de Klerk, the State President, for reaching this important historic and political convergence and congratulated them on the Nobel Peace Prize Award.

42. The Authority,

Further applauded the decision of Chief Mangosuthu Buthelezi to take part in the forthcoming democratic elections and hoped that the elections would be free and fair and conducted in a peaceful atmosphere without intimidation or violence;

Looked forward to welcoming a democratic South Africa into the family of nations in COMESA in the near future.

Secretary-General

43. The Authority,

Reappointed Dr. Bingu Mutharika as Secretary-General for a further term of four years from January 1995 and congratulated him.

PART THREE

The Way Forward

44. The Authority,

Agreed to concentrate on critical sectors likely to make an impact on growth, development and trade for concentrations in the initial years as clearly identified in the Trade and Development Strategy, so that each and every member State of COMESA can derive relative benefits and advantages from the Common Market. The critical areas should include the following:

(a) Greater industrialization of manufacturing in all areas for the production of quality and competitive goods;

(b) Trade development promotion and facilitation to increase intra-PTA trade;

(c) The development of cheaper and more reliable and efficient transport and communications infrastructures, especially an efficient regional railway network for the transportation of heavy and bulky goods;

(d) The development of agriculture for food security and self-sufficiency.

45. The Authority,

Directed the secretariat in this regard to organize and hold donors conferences to mobilize funds to implement some of these critical programmes.

46. The Twelfth Summit was formally closed by His Excellency President Meles Zenawi of the Republic of Ethiopia and Chairman of the Authority. In his statement, he thanked all the delegations for their participation in this historic meeting and for their contributions to the agenda of the meeting. He then reviewed the major decisions that the Summit had made and highlighted the Work Programme for 1994. President Zenawi urged member States to implement their collective decisions and programmes if the new Common Market were to attain the higher level of integration for the uplifting of her people. He finally wished all the delegations safe return to their respective countries.

47. The Authority then adopted its final communiqué as read by the Chairman of the Council of Ministers, the Honourable Dr. Hussein, Minister for External Economic Cooperation of Ethiopia.